

NSC DAILYING

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SUEN CHIAIS

1. Of the 21 nations invited to the 15 August London conference on the Suez Canal, 15 have accepted or announced their intention to attend. They may be divided roughly into three classes: those who can be expected to side with the inviting nations, those who take no side, and those whose sympathies will lie with Egypt.

A. Those supporting the West number 12: Australia, Denmark, West Germany, Ethiopia, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Sweden, and Turkey.

B. Those who so expect to avoid taking sides number 3: Ceylon, Iran, and Pakistan.

i. In the case of Ceylon and Pakistan, this "neutral" position, while not disputing Egypt's right to nationalize, derives from both nations substantial self-interest in continued free access to the canal.

ii. In Iran's case, the fence position is a product of equal and opposite pressures of popular favor for Egypt and the government's oil-oriented desire to keep peace with the West.

C. Nominally, therefore, India presently stands alone among those who have accepted as a champion of Egypt.

i. In India's case, Nehru's 3 August statement to Parliament, announcing agreement to attend, underscored the Indian attitude: he deplored the threats of force that have been evident, and made Indian acceptance contingent on US assurances that Egypt's sovereignty was not affected. India can be expected to international decisions

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any international action can properly occur unless or until Egypt demonstrates an inability to maintain an unrestricted flow of traffic through the canal.

2. At present 5 of the 31 have not replied: Greece, Indonesia, the USSR, Spain and, of course, Egypt itself.

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B. In the case of Indonesia, where "anti-Colonialism" continues as a major issue, both acceptance of the invitation and support for Egypt are anticipated.

C. In the case of Greece, Athens has already suggested that the date of the meeting be postponed and the location changed. In view of poor UK-Greek relations, it is anticipated that the Greeks, if they attend, will support Egypt.

3. Among the uninvited states of the Near East, widespread popular support for Nasser's move is evident, although many of the Governments themselves, are inwardly doubtful.

A. An excellent example of such popular pressure is the announcement, by the pro-Nasser government in Iraq, of support for Egypt's "dignity and sovereignty" at a time when King Faisal was on a state visit to the UK.

C. The Jordanians, fearful of an Israeli thrust while Egypt is tied up in Sinai, have tended to run for the shelter of the Anglo-Jordanian treaty.

1. Actually, Israel has been relatively quiet.

4. The enigma of the Egyptian position is apparently to be solved by an important Nasser announcement scheduled for this Sunday (12 Aug).

[redacted] as of last Saturday, Nasser intended to "welcome" the idea of an international conference to discuss enlargement of the Treaty of 1955. But would reject the Three Power invitation and object to the method by which the London meeting had been called. Assuming that Nasser has not changed his mind since last week, the following may be Nasser's moves this Sunday and thereafter:

A. Diplomatic moves: first, an appeal to the UN Security Council, citing the issue as a threat to peace; and second, an appeal to the UN General Assembly, citing the issue of freedom of navigation.

B. Further diplomatic moves:

1. Indicate an Egyptian willingness to "internationalize" the canal, provided all other international waterways (Gibraltar, Kiel and Panama, for example) were similarly treated.

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5. As to the USSR, an 8 Aug Reuters' report from Moscow quotes Foreign Minister Gromyko as stating that the Soviet reply to the Three Power invitation would be forthcoming within 48 hours and hinting that the reply would be an acceptance, with certain reservations.

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6. The USSR's general position on the Laos question is known, both from Khrushchev's 21 July speech and from subsequent pronouncements by top Soviet foreign ministry officials, to be along these lines:

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- i. Egypt's nationalization of the canal is a legal action.
- ii. The UNCT should seek to calm tempers on both sides.
- iii. The UNCT should not be committed to support Egypt if the West takes military action.
- iv. An outbreak of hostilities in the Middle East must be avoided--by international conference, if necessary.

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